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RUEHCV/AMEMBASSY CARACAS PRIORITY 0291  
RUEHUB/USINT HAVANA PRIORITY 0020  
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C O N F I D E N T I A L SAN SALVADOR 000413

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TAGS: [ES](#) [PGOV](#) [PREL](#) [OVI](#) [ETRD](#) [MARR](#) [MASS](#) [KMCA](#)  
SUBJECT: SCENESETTER FOR VISIT OF SALVADORAN PRESIDENT SACA

Classified By: Ambassador H. Douglas Barclay, Reasons 1.4 (b) and (d)

#### Introduction -----

1. (C) President Elias Antonio "Tony" Saca will meet with the President February 24, shortly before El Salvador's March 12 national congressional and mayoral elections. Saca hopes the meeting with the President will further aid his party's chances in the elections, and help him soundly defeat the FMLN, which he maintains is being helped by Hugo Chavez and Fidel Castro. Saca further believes a positive electoral outcome will help promote democracy, counter anti-Americanism in this Hemisphere, and influence the November elections in Nicaragua. Saca wants to walk away from his Washington visit with an announcement that El Salvador has qualified for CAFTA-DR, and that the President will extend TPS benefits again. He will reaffirm his personal relationship with the President and the United States, maintain his commitment on Iraq, and will likely offer to help the administration in Latin America, especially in relation to Venezuela, Cuba, and Bolivia, but also on Central America and Nicaragua. The following topics will likely come up:

- CAFTA
- TPS
- Deportations
- MCC
- Iraq Deployment
- Chavez/Cuba/Nicaragua
- Major Non-NATO Ally Status

#### CAFTA-DR -----

2. (C) Saca believes the GOES has met its obligations and hopes that he and the President will be able to announce that CAFTA-DR will enter into force on March 1. Intense negotiations between USTR and the GOES have resolved many issues and led to expectations of an early implementation, but the March 1 date has not yet been finalized. Saca has stated here that the trade agreement will help jump-start the economy. In the leadup to CAFTA-DR implementation, the nation's Legislative Assembly had to undertake extensive legislative amendments to bring El Salvador's laws into compliance with the agreement's provisions. Influential

agricultural interests have had to accept some controversial compromises. The GOES is taking steps to enforce CAFTA-DR's Intellectual Property Rights (IPR) provisions, also in the face of stiff opposition.

#### Temporary Protected Status

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13. (C) Roughly 250,000 Salvadorans have benefited from TPS, which has been renewed three times since it was instituted in March 2001 in response to two deadly earthquakes. President Saca has declared continuation of TPS one of his top priorities. El Salvador continues to struggle to reconstruct infrastructure damaged or destroyed by the earthquakes, and subsequent damage from October 2005 natural disasters. The cost of reconstruction has diverted resources from other critical needs, such as public health, nutrition programs, and education. El Salvador continues to suffer from alarming poverty rates, as well as high unemployment and underemployment.

#### Deportations

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14. (C) Due to insufficient detention space for Salvadoran illegal aliens apprehended at the border, DHS has asked El Salvador to increase the number of deportees it will accept, and to document their citizens more rapidly, to facilitate their early repatriation. The GOES has made a good-faith proposal to DHS that includes organizing accelerated deportations and fuller information sharing and intelligence cooperation. The GOES has asked for financial support to offset the increased costs associated with such initiatives. The GOES and DHS are currently negotiating an accelerated deportations agreement.

Millennium Challenge Account

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15. (C) El Salvador was one of two lower-middle-income nations to qualify for Millennium Challenge Corporation (MCC) compacts, and has proposed a new trunk highway linking the impoverished northern region to markets. The project aims to increase development and link the Salvadoran economy to its Central American neighbors, including MCC recipient Honduras. MCC representatives have met with GOES officials at the national and local levels to discuss the project and study its economic feasibility. Thus far, the MCC has been very favorably impressed with their GOES counterparts and the project's quality.

#### Iraq Deployment

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16. (C) The sixth Salvadoran army contingent has just arrived in Iraq; nearly 2,300 Salvadoran troops have now served with the U.S.-led coalition, and El Salvador remains the sole Western Hemisphere nation participating in Operation Iraqi Freedom. Although polls indicate that the government's deployment of troops to Iraq is very unpopular with most Salvadorans, Saca affirms that Salvadoran troops will continue to be deployed as long as necessary.

#### Venezuelan and Cuban Interference in El Salvador

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17. (C) Saca is worried about the direction in which Latin America is headed, and cites Venezuela, Cuba, Bolivia, and Nicaragua as areas of major concern. He contends that Venezuela and Cuba are interfering directly in El Salvador's electoral process. Chavez has made overtures to Salvadoran municipalities run by the FMLN offering sales of refined oil at low prices in exchange for foodstuffs. The Venezuelan proposals are intended to boost the FMLN in the March 12 elections. Cuba is reportedly attempting to reunify the Salvadoran left around the FMLN hardline leadership. Links between the FMLN and Daniel Ortega are very strong. Saca is concerned about the November elections in Nicaragua and a possible Ortega victory, and has offered to help.

## Major Non-NATO Ally Status

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18. (C) GOES Foreign Minister Lainez has raised with Ambassador Barclay the possibility of Major Non-NATO Ally (MNNA) status for El Salvador and asked for basic information on MNNA. Saca may raise MNNA during his visit.  
Barclay